

State of South Dakota

SEVENTY-EIGHTH SESSION
LEGISLATIVE ASSEMBLY, 2003

573I0352

SENATE BILL NO. 208

Introduced by: Senators Dennert, Dempster, Duxbury, Kooistra, and Sutton (Duane) and
Representatives Lange, Frost, Novstrup, and Valandra

1 FOR AN ACT ENTITLED, An Act to revise the limitation on the amount payable from real
2 property taxes by local units of government.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

4 Section 1. That § 10-13-35 be amended to read as follows:

5 10-13-35. This section does not apply to school districts. For taxes payable in ~~1997~~ 2004,
6 and each year thereafter, the total amount of revenue payable from taxes on real property within
7 a taxing district, excluding the levy pursuant to § 10-13-36, may increase no more than ~~the lesser~~
8 ~~of three percent or~~ the index factor, as defined in § 10-13-38, over the amount of revenue
9 payable from taxes on real property in the preceding year, excluding the amount of taxes levied
10 pursuant to § 10-13-36. After applying the index factor, a taxing district may increase the
11 revenue payable from taxes on real property above the limitations provided by this section by the
12 percentage increase of value resulting from any improvements or change in use of real property,
13 annexation, minor boundary changes, and any adjustments in taxation of property separately
14 classified and subject to statutory adjustments and reductions under chapters 10-4, 10-6, 10-6A,
15 and 10-6B, except § 10-6-31.4, only if assessed the same as property of equal value. A taxing



1 district may increase the revenue it receives from taxes on real property above the limit provided
2 by this section for taxes levied to pay the principal, interest, and redemption charges on any
3 bonds issued after January 1, 1997, which are subject to referendum, scheduled payment
4 increases on bonds and for a levy directed by the order of a court for the purpose of paying a
5 judgment against such taxing district. Any taxing district created after the effective date of this
6 section is exempt from the limitation provided by this section for a period of two years
7 immediately following its creation.

8 Section 2. That § 10-13-38 be amended to read as follows:

9 10-13-38. ~~The~~ For taxes payable in 2004, the index factor is three and three-fourths percent,
10 for taxes payable in 2005, the index factor is four and one-half percent, and for taxes payable in
11 2006, the index factor is five and one-fourth percent. For taxes payable in 2007, and each year
12 thereafter, the index factor is the annual percentage change in the ~~consumer price index for urban~~
13 ~~wage earners and clerical workers as computed by the Bureau of Labor Statistics, United States~~
14 ~~Department of Labor~~ state's general fund revenue less any unexpended carryover and net
15 transfers in for the year prior to the year immediately preceding the year in which the taxes are
16 payable. The secretary of revenue shall notify the county auditor of the amount of revenue which
17 may be raised with the standard levy pursuant to § 10-13-35 by February first. The county
18 auditor shall notify each taxing district in the county of the amount of revenue to be raised with
19 the standard levy, except school districts, on or before March first.